



## Legislation Text

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**File #: 14-3538, Version: 1**

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A Resolution of the City of Coral Gables, Florida authorizing the negotiation of a loan in a principal amount not to exceed \$6,500,000 from the Sunshine State Governmental Financing Commission, to finance certain Radio System Improvements; approving the execution and delivery of the loan agreement and escrow agreement; providing certain other matters in connection with the making of such loan; authorizing other required actions; and providing for an effective date.

The City of Coral Gables currently operates a mission critical 800 MHz digital simulcast two-way radio system that was accepted in September of 1999. This system provides life safety voice communications for Police, Fire-Rescue and most Local Government entities Citywide. There are many critical pieces of this network that are either obsolete or are in danger of failing, with no option for replacements. A new radio system is being proposed that will be a three site 800 MHz simulcasted APCO Project 25 compliant digital voice network. This project includes new radio dispatch consoles for operators within the Primary Public Safety Answering Point (PSAP) and comparable equipment for the backup PSAP. Also included is a replacement of the majority of the City's 800 mobile (in vehicles) and portable (hand held) radios. Some existing radios can be software updated and reused on the new network. Many of the existing mobile and portable radios date back to 1999. As part of the radio network replacement, the City's microwave relay system is also being replaced.

The City has analyzed alternative ways to finance the costs of the radio system improvements described above. On October 9, 2014 the Sunshine State Governmental Financing Commission approved a Resolution authorizing the City to move forward with the issuance of not exceeding \$6,500,000 of revenue bonds to undertake the above described capital improvements.

Due to favorable market conditions, the City has the opportunity to finance the above-described projects through the Sunshine State Governmental Financing Commission ("SSGFC"). After a competitive solicitation by Public Financial Management (PFM), in its capacity as the financial advisor to the SSGFC, a proposal was received from US Bancorp Government Leasing and Finance, Inc. ("US Bancorp") with the best terms and conditions. US Bancorp proposed a 15 year fixed interest rate of 2.503% which will be held until December 31, 2014. Additionally, US Bancorp has provided the City with the flexibility to optionally prepay the Loan at 103% of par. Please see attached Recommendation Memorandum from PFM. PFM recommends the City move forward with the transaction at this time. Pending approval by the City Commission, the loan would be scheduled to close on or about December 19, 2014.

Debt service for this loan has been included in the FY 2015 budget.